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## News Release

May 28, 2015

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### IAA Releases Paper on Own Risk & Solvency Assessment (ORSA)

The International Actuarial Association (IAA) is pleased to announce the publication of the paper “[Deriving Value from ORSA - Board Perspective](#)” developed by the Joint ORSA Subcommittee of the IAA’s Insurance Regulation and Enterprise and Financial Risk Committees.

In simple terms, the ORSA provides a declaration of the company's assessment of its position in terms of profit, risk and capital – both now and in the future –under different scenarios and relative to the company's appetite for risk. In response to the International Association of Insurance Supervisors Insurance Core Principle 16, many regulatory regimes around the world now require (or are in the process of developing requirements for) insurance companies to perform its own risk and solvency assessments as part of effective risk management systems.

A company's Board has a significant role to play in overseeing management's assessments of risk and solvency and in challenging the ORSA results as they are presented by management. The paper provides a perspective on the value of ORSA to a Board, including understanding the company's risk appetite and risk profile; assessing the adequacy of the risk evaluation and risk treatment processes; understanding management's strategic risk-based decisions and the risk associated with the ORSA process itself.

President Fred Rowley said, "We are proud to publish a paper that provides members of the Board insight into the value of the ORSA process and establishes Board expectations for the information that senior management should routinely communicate to them. We expect the paper will provide helpful insights on the ORSA process to regulators as well."

To learn more about the paper and the work of the IAA on this topic, contact the [Director of Technical Activities](#).

The paper is available on the IAA website under [PUBLICATIONS/PAPERS](#).

The International Actuarial Association is the worldwide association of professional actuarial associations, with a number of special-interest sections for individual actuaries. Founded in 1895, the IAA exists to encourage the development of a global actuarial profession that is acknowledged as technically competent and professionally reliable, ensuring that the public interest is served. The IAA has 67 Full Member Associations, representing 98 percent of qualified actuaries worldwide, and 28 Associate Member Associations.

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